

Welcome to 2023! As I was reviewing my 2022 winter newsletter, it was fun to reminisce about the powerful '21 crop and compare with the most recent '22 harvest. Much like 2021, the 2022 harvest offered favorable weather conditions and very few complications with standability or field loss. Perhaps the only significant difference were the yield levels. The 2022 yield levels (again) exceeded expectations. Limited rainfall prevented the crop from matching the record crop of 2021, but it was far better than most of us expected. Nevertheless, 2022 will certainly go down in the books as a profitable year!

Pioneer's Digital Ag platform, Granular Insights, has just released a new analytical tool that allows us to summarize the harvest data we collect across our entire agency. This generates "summary data" by product, planting date, soil type, etc..., but nothing specific to a single operation. It should become a very valuable tool for our agency to fully understand performance across a broader geography...and most importantly fine-tune placement recommendations. 2022 corn yields ranged from below 150 Bu/A on some tougher ground along the MO River...to 250+ Bu/A for acres that caught a timely rain shower. Overall, our customers that share yield data with us averaged nearly 220 Bu/A. That is a huge number over thousands of acres of corn in Mills, Fremont, and surrounding counties. Well Done!

One interesting side note...Hillcrest completed 50+ yield checks the week after the Pro Farmer tour last summer to try to understand the impact of the dry conditions. These were completed using the same formula as Pro Farmer. We questioned the yield levels at the time, but somehow averaged out around 221 Bu/A with those checks. Certainly, higher than expected at the time...but maybe there is something to their math!

Looking through the '22 harvest data one very apparent trend jumped out at us. While April 25th & 26th were near perfect planting days last spring, those days turned out to be the lowest yielding days for most hybrids...due to the cold rain that followed. This was not something that we could see visually, but I would suspect if you went back and looked at fields that seemed "off", you may find that they were planted one of those days. While this information does not fix the issue from last April, it should help us quantify the damage and mitigate the risk next time around. We are excited to have this tool to help analyze trends as a whole agency. I hope when we look at data on a larger scale, we will be able to see tendencies like this, that we may not be able understand at a single location.

Despite a somewhat questionable growing season, we do have some local wins to celebrate! Mar-I-War Farms placed 3rd in the state of lowa in the National Corn Growers Competition (NCGA). This was in the conventional tillage, non-irrigated category with a yield of 305.8 Bu/A using P1222AM. Lorimor Farms was right behind them in 4th place in the state with 299.6 Bu/A. Also, with P1222AM. Congratulations to both for very impressive yields!

If you feel like your yields were not in the range with others, now is the time to evaluate your decisions and build a plan to make improvements. There are a ton of variables when it comes to yield but here (in no specific order) are a few of the big ones:

<u>Tillage-</u> Can be very impactful in extreme years. Hot and dry years, and cold and wet years. When done properly tillage can have a positive impact on yield. Inversely, when NOT timed properly tillage can also have a fairly negative impact.

<u>Fertility-</u> Balanced fertility may be a bit more critical in dry years than wet years, but the basics are ALWAYS important. Proper applications of N, P, K, and S will always be a necessary foundation before any additional "magic dust" or "snake oils". There are very few effective shortcuts when it comes to fertility.

<u>pH-</u> Is a critical component, yet many times overlooked. A necessary requirement in nutrient availability to the plant.

<u>Timing-</u> You make several passes every season and TIMING MATTERS. From fertilizer application and method, to planting, to weed control, to disease control, to harvest. TIMING does matter on every trip!

If you feel like it is time to change things up, we are here to help. We are always looking for ways to boost yield and we will do what we can to help get you to that next level.

Seed

We have just finished up our planning for the 2024 seed crop. We have a huge class of new corn and soybean products that we will be looking at in 2023 to build up the supply for 2024. One thing that really stands out is the consistency we are seeing across all yield levels. Weather changes from year to year always plays a big part in fully understanding new products. The last 2 years we have had record yields in 2021, followed by a high stress year in 2022. These large swings in weather are what pushed Pioneer plant breeders to add an extra year of testing to help account for the "year effect". Despite the changing environment this class completed its 5th year of testing and has remained consistent, allowing a confident understanding of what we can expect with these newest advancements.

The top yielding products in 2021 stayed at the top of the pack in 2022. The defensive products that were right behind them stayed right behind them. This is exciting! This is the consistency and reliability we are always looking for. The advanced breeding strategies and the genetic gain we are experiencing is bringing "defensive" products that will hold together in challenging environments and outyield products like 1197AM which was a Yield Leader just a few short years ago. Obviously more to come, but with good management I expect to see another big genetic yield gain over the next few years.

Soybeans are just as exciting! We are making the switch to Enlist (2,4-D) soybeans for 2023. The XTend (dicamba) soybean products have treated us well in recent years, but there is now a better solution. With the advancements that have been made, our Enlist (E3) soybean lineup brings the highest yielding products in the industry. This technology allows growers improved flexibility with post emerge applications, and perhaps more importantly reduced risk of off target movement. This program provides multiple modes of action without a "hard stop" calendar date. While this is a big change locally, it has already been happening around the state. In 2022, approximately 35% of the Pioneer bean sales in Iowa were E3. Based on current sales projections we expect that number to be >95% in the Pioneer brand for 2023.

It is well known across the industry the EPA and the State of Iowa are poised to really "put the squeeze" on post emergence applications of Dicamba in soybeans in the very near future. There is no doubt dicamba has been a good weed control tool but trying to manage the off-target movement does not make it an effective solution. The timing is right for this change in technology! It was important to us that our customers did not get backed into the corner on weed control options if we find out later this spring that Dicamba can no longer be used for post emergence applications.

Regarding new soybean varieties... we have another very big class coming for 2024! These will all be proprietary "A-Series" genetics. For our area we will have a new 2.8, 3.0, 3.3, and 3.4 varieties coming

that will be right in our wheelhouse! We have not had a big volume 3.0 soybean since 93M11 in the early 2000's... but we will next year...and it looks to be a dandy!

One other bit of good news for you "early plant" soybeans guys. The crop insurance date for soybeans has been moved to April 11th in the southern 3 tiers of counties of lowa for 2023. That means that you will have full replant benefits for soybeans 10 days earlier than past years. Corn has been moved from the 11th to the 10th of April for our region also. Yield data continues to show that early planting of soybeans is a very big part of high yield soybeans. This is very good news for those of you who are willing to take the risk of sticking them in the ground early!

Fertilizer

Fertilizer prices seem to always be a headline. This year however, it is because most fertilizers are actually coming DOWN in price! With strong grain markets, I did not expect to see this happen, but it is very welcome. P and K prices continue to soften due to lower replacement rates being used in many areas of the corn belt. This is helping keep supply ahead of demand. As of today, nitrogen is significantly less than it was at this time last year. Hopefully it can find a reason to stay lower through spring and sidedress applications.

Crop Protection

The Crop Protection industry isn't perfect yet, but it has improved drastically over 2022. Generally speaking, 90% of the supply issues have improved and some of the products that were way out of line are coming back down. Roundup supply and price is much improved vs. a year ago, while the Liberty supply and price is also better than last year. Many of the "cheap" products like 2,4-D and atrazine are holding steady with last year's prices, but that shouldn't have much impact on the overall cost per acre. All things considered, Drayton says crop protection costs should be flat to slightly lower than 2022... and we have received shipment on most of the product already!

If you haven't done so yet, make sure to take advantage of the TruChoice seed/chemical bundle that can gain you 10% -15% on Corteva crop protection products when you prepay by February 24th. If you have any questions about this program, be sure to catch up with Drayton or give him a call at 402-981-4767.

Corn meters

For those of you with finger pick-up meters on your planter, Manny is ready to run meters. This is an important practice every 2-3 years to help take some of the guess work out of your planting season and stand establishment. Give us a call or drop off your meters if you would like to have them calibrated on the stand.

While it doesn't seem that winter slows everything down anymore...hopefully you can all find time to enjoy a little break in the action. The next couple of months are important planning days to ensure a successful 2023. Please let us know how we can help. We look forward to sitting down and discussing your '23 planting plans as well as any important changes in your operation.

Thank you for your continued support!

Hillcrest Sales

Ryan, Melanie, Manny, and Drayton